

BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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L 00000JJ - 09-0779-06145 IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC Docket No. L-00000D-09-0280-00146 SERVICE COMPANY, IN CONFORMANCE WITH THE Case No. 146 REQUIREMENTS OF ARIZONA **REVISED STATUTES 40-360.03 AND** 40-360.06, FOR A CERTIFICATE OF ARIZONA PUBLIC SERVICE ENVIRONMENTAL COMPATIBILITY **COMPANY'S NOTICE OF** AUTHORIZING CONSTRUCTION OF FILING PROPOSED FORM THE APS Q43 500kV TRANSMISSION OF CERTIFICATE OF LINE AND SWITCHYARD **ENVIRONMENTAL COMPATIBILTY** INTERCONNECTION PROJECT AND **ASSOCIATED FACILITIES** INTERCONNECTING TO THE PALO VERDE - NORTH GILA #1 AND #2 500kV TRANSMISSION LINES APPROXIMATELY 10 MILES NORTH OF DATELAND, ARIZONA (SECTION 34, T5S, R12W, G&SRBM, YUMA COUNTY)

Pursuant to Paragraph 19 of Chairman Foreman's June 8, 2009 Procedural Order, Arizona Public Service Company ("APS") files a proposed form of Certificate of Environmental Compability, findings of fact, and conclusions of law. (Exhibit 1) Consistent with Paragraph 20 of the Procedural Order, APS also files a document showing the previous cases upon which the proposed conditions in Case 146 are based. (Exhibit 2).

Arizona Corporation Commission

DOCKETED

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RESPECTFULLY SUBMITTED this 20th day of July, 2009.

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LEWIS AND ROCA LLP

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Albert Acken

40 N. Central Avenue

Phoenix, Arizona 85007

Attorneys for Arizona Public Service Company

ORIGINAL and twenty-five (25) copies of the foregoing hand-delivered this 20th day of July, 2009 to:

The Arizona Corporation Commission Utilities Division – Docket Control 1200 W. Washington Street Phoenix, Arizona 85007

COPIES of the foregoing delivered electronically this 20th day of July, 2009 to:

Hon. John Foreman, Chairman Arizona Power Plant and Transmission Line Siting Committee Assistant Attorney General 1275 West Washington Street Phoenix, Arizona 85007

Janice Alward, Legal Department Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

Jay Moyes Moyes Sellers & Sims 1850 N. Central Avenue, Suite 1100 Phoenix, Arizona 85004

BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

3	IN THE MATTER OF THE)
4	APPLICATION OF ARIZONA PUBLIC) Docket No. L-00000D-09-0280-00146
	SERVICE COMPANY, IN)
5	CONFORMANCE WITH THE) Case No. 146
	REQUIREMENTS OF ARIZONA)
6	REVISED STATUTES 40-360.03 AND)
7	40-360.06, FOR A CERTIFICATE OF)
	ENVIRONMENTAL COMPATIBILITY)
8	AUTHORIZING CONSTRUCTION OF)
9	THE APS Q43 500kV TRANSMISSION)
	LINE AND SWITCHYARD)
10	INTERCONNECTION PROJECT AND)
	ASSOCIATED FACILITIES)
11	INTERCONNECTING TO THE PALO)
12	VERDE - NORTH GILA #1 AND #2	
	500kV TRANSMISSION LINES)
13	APPROXIMATELY 10 MILES NORTH)
	OF DATELAND, ARIZONA (SECTION)
14	34, T5S, R12W, G&SRBM, YUMA)
15	COUNTY)	_)

CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee (the "Committee") held public hearings on July 21, 22 and 23, 2009, in conformance with the requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, et seq., for the purpose of receiving evidence and deliberating on the Application of Arizona Public Service Company ("Applicant") in conjunction with San Diego Gas and Electric Company, as co-applicant, for a Certificate of Environmental Compatibility ("Certificate") in the above-captioned case (the "Project").

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The following members and designees of members of the Committee were present at one or more of the hearings for the evidentiary presentations and/or for the deliberations:

Hon. John Foreman	Chairman, Designee for Arizona Attorney General, Terry Goddard
David L. Eberhart, P.E.	Designee for Chairman, Arizona Corporation Commission
Jessica Youle	Designee for Director, Energy Department, Arizona Department of Commerce
Paul Rasmussen	Designee for Director, Arizona Department of Environmental Quality
Gregg Houtz	Designee for Director, Arizona Department of Water Resources
Jeff McGuire	Appointed Member
William Mundell	Appointed Member
Patricia Noland	Appointed Member
Michael Palmer	Appointed Member
Michael Whalen	Appointed Member
Barry Wong	Appointed Member

The Applicant was represented by Thomas H. Campbell of Lewis and Roca LLP. Agua Caliente Solar, L.L.C., an applicant in Line Siting Case No. 145, a consolidated matter, was represented by Jay Moyes of Moyes, Sellers & Sims.

At the conclusion of the hearing, the Committee, having received the Application, the appearance of the Applicant, the evidence, testimony and exhibits presented at the hearing, and being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13,

upon motion duly made and seconded, voted ____ to ___ to grant the Applicant this Certificate of Environmental Compatibility (Case No. 146) for the Project.

The Project as approved consists of a series of proposed 500kV transmission lines and a new regional switchyard that will initially connect the solar project proposed by Agua Caliente Solar L.L.C. (Case No. 145), to the existing Palo Verde-North Gila No. 1 500kV transmission line (ACC Decision No. 52428). The Project will be designed to accommodate the future interconnection of the planned Palo Verde-North Gila No. 2 500kV transmission line (ACC Decision No. 70127), a future 500kV/69kV substation, and other related transmission facilities.

The Project will be located on a portion of a 3,800 acre private agricultural property referred to as the "Whitewing Ranch" (Property) in the northwest corner of Section 34, T5S, R12W, G&SRBM, Yuma County, Arizona, plus some additional private land that extends south of the Property to a point 200 feet south of the Palo Verde to North Gila No.1 centerline. The substation site is located just north of Palomas Road (also referred to as Palomas/Hyder Road) and will occupy approximately 30 acres of the Property. Each interconnection line will be within a separate 200 foot right-of-way. All interconnection lines will be in rights of way within a corridor. The corridor length extends southwest for 5,875 feet from the point where the eastern boundary of the Property intersects the Union Pacific Railroad. The 2,200 foot width includes the 2,000 foot corridor approved in Decision No. 70127 for the Palo Verde to North Gila No. 2 transmission line, plus 200 feet south of the centerline of the Palo Verde to North Gila No. 1 transmission line. A general location map of the Project is set forth in **Exhibit A**.

CONDITIONS

This Certificate is granted upon the following conditions:

1. The Applicant shall obtain all required approvals and permits necessary to construct the Project.

- 2. The Applicant shall comply with all existing applicable statutes, ordinances, master plans and regulations of the State of Arizona, the County of Yuma, the United States, and any other governmental entities having jurisdiction.
- 3. This authorization to construct this Project shall expire fifteen (15) years from the date the Certificate is approved by the Commission unless the transmission line is capable of operation. However, prior to expiration, the Applicant or its assignees may request that the Commission extend this time limitation.
- 4. The Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio signals from operation of the transmission lines and related facilities addressed in this Certificate. The Applicant shall maintain written records for a period of five years of all complaints of radio interference attributable to operation, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken.
 Complaints not leading to a specific action or for which there was no resolution shall be noted and explained.
- 5. To the extent applicable, the Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901, et seq.) and shall, to the extent feasible, minimize the destruction of native plants during Project construction.
- 6. Pursuant to A.R.S. § 41-844, if any archaeological, paleontological or historical site or object that is at least fifty years old is discovered on state, county or municipal land during plan-related activities, the person in charge shall promptly report the discovery to the Director of the Arizona State Museum, and in consultation with the Director, shall immediately take all reasonable steps to secure and maintain the preservation of the discovery. If human remains and/or

funerary objects are encountered during the course of any ground-disturbing activities relating to the development of the subject property, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum, pursuant to A.R.S. § 41-865, and any appropriate federal agency.

- 7. The Applicant shall design the transmission lines to incorporate reasonable measures to mitigate impacts to raptors.
- 8. The Applicant shall use non-specular conductor and dulled surfaces for transmission line structures.
- 9. In the event that the Project requires an extension of the term of this Certificate, Applicant shall use reasonable means to notify all landowners and residents within one mile of the Project corridor, all persons who made public comment at this proceeding, and all parties to this proceeding of the request and the time and place of the hearing in which the Commission will consider the request for extension.
- 10. Before construction on this Project may commence, the Applicant must file a construction mitigation and restoration plan ("Plan") with ACC Docket Control. Where practicable, the Plan shall specify that the Applicant use existing roads for construction and access, minimize impacts to wildlife, minimize vegetation disturbance outside of the Project right-of-way, and revegetate, unless waived by the landowner, native areas following construction disturbance.
- 11. The Applicant shall provide copies of this Certificate to Yuma County Planning Division, the State Historic Preservation Office, and the Arizona Game and Fish Department.
- 12. Applicant will follow the latest Western Electricity Coordinating Council/ North
 American Electric Reliability Corporation Planning standards as approved by

the Federal Energy Regulatory Commission, and National Electrical Safety Code construction standards.

- 13. Within 120 days of the Commission decision granting this Certificate, Applicant will post signs in public rights-of-way giving notice of the project corridor to the extent authorized by law. The Applicant shall place signs in prominent locations at reasonable intervals such that the public is notified along the full length of the transmission line until the transmission structures are constructed. To the extent practicable, within 45 days of securing easement or right-of-way for the Project, the Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line. Such signage shall be no smaller than a normal roadway sign. The signs shall advise:
 - (a) That the site has been approved for the construction of Project facilities;
 - (b) The expected date of completion of the project facilities;
 - (c) A phone number for public information regarding the Project;
 - (d) The name of the Project;
 - (e) The name of the Applicant; and
 - (f) The website of the Project
- 14. With respect to the Project, Applicant shall participate in good faith in state and regional transmission study forums to coordinate transmission expansion plans related to the project and to resolve transmission constraints in a timely manner.
- 15. Prior to the date construction commences on this Project, the Applicant shall provide known homebuilders and developers within one mile of the center line of the certificated route the identify, location, and a pictorial depiction of the type of power line being constructed, accompanied by a written description, and

encourage the developers and homebuilders to include this information in the developers' and homebuilders' homeowners' disclosure statements.

16. The Applicant shall submit a self-certification letter annually, identifying progress made with respect to each condition contained in the Certificate, including which conditions have been met. Each letter shall be submitted to ACC Docket Control on December 1 beginning in 2010. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of each letter along with the corresponding documentation shall be submitted to the Arizona Attorney General and Department of Commerce Energy Office. The requirement for the self-certification shall expire on the date the Project is placed into operation.

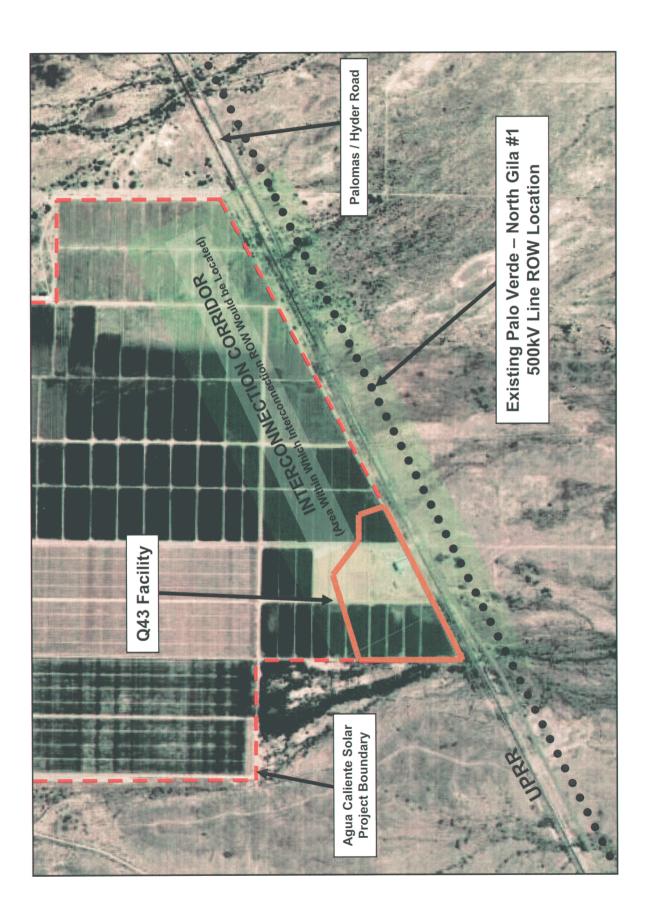
FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 1. The Project is in the public interest because it aids the state in meeting the need for an adequate, economical and reliable supply of electric power.
- 2. In balancing the need for the Project with its effect on the environment and ecology of the state, the conditions placed on the CEC by the Committee effectively minimize its impact on the environment and ecology of the state.
- 3. The conditions placed on the CEC by the Committee resolve matters concerning the need for the Project and its impact on the environment and ecology of the state raised during the course of proceedings, and as such, serve as the findings on the matters raised.
- 4. In light of these conditions, the balancing in the broad public interest results in favor of granting the CEC.

THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

John Foreman, Chairman

EXHIBIT A



Interconnection Area of Detail

Case 1436 CONDITIONS

This Certificate is granted upon the following conditions:

- 1. The Applicant shall obtain all required approvals and permits necessary to construct the Project.
- The Applicant shall comply with all existing applicable statutes, ordinances,
 master plans and regulations of the State of Arizona, the County of
 YavapaiYuma, the United States, and any other governmental entities having jurisdiction.
- 3. This authorization to construct this Project shall expire ten<u>fifteen</u> (105) years from the date the Certificate is approved by the Commission unless the transmission line is capable of operation. However, prior to expiration, the Applicant or its assignees may request that the Commission extend this time limitation.
- 4. The Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio signals from operation of the transmission lines and related facilities addressed in this Certificate. The Applicant shall maintain written records for a period of five years of all complaints of radio interference attributable to operation, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken.
 Complaints not leading to a specific action or for which there was no resolution shall be noted and explained.
- 5. To the extent applicable, the Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901, et

- Comparison of CEC conditions proposed for Case 146 with the CEC conditions approved for Case 143 (Decision No. 71217); source of other conditions is as noted.
 - <u>seq.</u>) and shall, to the extent feasible, minimize the destruction of native plants during Project construction.
 - 6. Pursuant to A.R.S. § 41-844, if any archaeological, paleontological or historical site or object that is at least fifty years old is discovered on state, county or municipal land during plan-related activities, the person in charge shall promptly report the discovery to the Director of the Arizona State Museum, and in consultation with the Director, shall immediately take all reasonable steps to secure and maintain the preservation of the discovery. If human remains and/or funerary objects are encountered during the course of any ground-disturbing activities relating to the development of the subject property, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum, pursuant to A.R.S. § 41-865, and any appropriate federal agency.
 - 7. The Applicant shall design the transmission lines to incorporate reasonable measures to mitigate impacts to raptors.
 - 8. The Applicant shall use non-specular conductor and dulled surfaces for transmission line structures.
 - 9. In the event that the Project requires an extension of the term of this Certificate, Applicant shall use reasonable means to notify all landowners and residents within one mile of the Project corridor, all persons who made public comment at this proceeding, and all parties to this proceeding of the request and the time and place of the hearing in which the Commission will consider the request for extension.
 - 10. Before construction on this Project may commence, the Applicant must file a construction mitigation and restoration plan ("Plan") with ACC Docket Control. Where practicable, the Plan shall specify that the Applicant use existing roads for construction and access, minimize impacts to wildlife,

Comparison of CEC conditions proposed for Case 146 with the CEC conditions approved for Case 143 (Decision No. 71217); source of other conditions is as noted.

minimize vegetation disturbance outside of the Project right-of-way, and revegetate, unless waived by the landowner, native areas following construction disturbance.

- 11. The Applicant shall provide copies of this Certificate to <u>Yavapai Yuma</u> County Planning Division, the Arizona State Land Department, the State Historic Preservation Office, and the Arizona Game and Fish Department.
- 12. Applicant will follow the latest Western Electricity Coordinating Council/ North American Electric Reliability Corporation Planning standards as approved by the Federal Energy Regulatory Commission, and National Electrical Safety Code construction standards.

[Condition 13 corresponds to Condition 9 in Case 136, Decision No. 70325]

- 13. Within 120 days of the Commission decision granting this Certificate.

 Applicant will post signs in public rights-of-way giving notice of the project corridor to the extent authorized by law. The Applicant shall place signs in prominent locations at reasonable intervals such that the public is notified along the full length of the transmission line until the transmission structures are constructed. To the extent practicable, within 45 days of securing easement or right-of-way for the Project, the Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line. Such signage shall be no smaller than a normal roadway sign. The signs shall advise:
 - (a) That the site has been approved for the construction of Project facilities;
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 - (c) A phone number for public information regarding the Project;
 - (d) The name of the Project;
 - (e) The name of the Applicant; and

Comparison of CEC conditions proposed for Case 146 with the CEC conditions approved for Case 143 (Decision No. 71217); source of other conditions is as noted.

(f) The website of the Project

[Condition 14 corresponds to Condition 11 in Case 136, Decision No. 70325]

14. With respect to the Project, Applicant shall participate in good faith in state
and regional transmission study forums to coordinate transmission expansion
plans related to the project and to resolve transmission constraints in a timely
manner.

[Condition 15 corresponds to Condition 13 in Case 136, Decision No. 70325]

- 15. Prior to the date construction commences on this Project, the Applicant shall provide known homebuilders and developers within one mile of the center line of the certificated route the identify, location, and a pictorial depiction of the type of power line being constructed, accompanied by a written description, and encourage the developers and homebuilders to include this information in the developers' and homebuilders' homeowners' disclosure statements.
- 16. 13. The Applicant shall submit a self-certification letter annually, identifying progress made with respect to each condition contained in the Certificate, including which conditions have been met. Each letter shall be submitted to ACC Docket Control on December 1 beginning in 20109. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of each letter along with the corresponding documentation shall be submitted to the Arizona Attorney General and Department of Commerce Energy Office. The requirement for the self-certification shall expire on the date the Project is placed into operation.
- 14. The Applicant will install gates and/or cattle guards acceptable to the land owners and/or lessees at any existing fence lines crossed by new permanent access roads.